Application: 09/436,432 Filed: November 8, 1999

In Response to Office Action of: September 22, 2006

Response Dated: December 22, 2006

IV. <u>REMARKS</u>

A. Allowance of Claims 36-40 and 45-73

9. In response to the Office Action dated September 22, 2006, applicant appreciates the allowance of claims 36-40 and claims 45-73.

B. Comments on Statement of Reasons for Allowance

10. The following is the examiner's statement for reason of allowance:

"The closest prior art of record to Lobodzinski fails to teach or suggest a system and corresponding methods of transmitting a video stream of images over a network from a first location to a second location, wherein a plurality of images being transferred from an original video format to a first digitally compressed format; then the first digitally compressed video format being stored and saved on a receiving device as a second saved stream of video images, the video stream is marked and a request is being performed for an enhanced version of the requested section, and particularly, wherein the user at second location views a low quality version of the stream of video images while they are being transmitted, a portion of the displayed video is marked, the marked position is retransmitted and displayed in higher quality, and the user views the retransmitted portion in higher quality while the transmission of the low quality streams of video images as cited in claim 36, and similarly in claims 51, 65, and 66."

11. Applicant believes there are additional reasons for allowance that have not been cited by the examiner. For example, some elements of the claims were not clearly taught or suggested by the prior art. Also the prior art fails to teach many of the novel features of the invention as outlined in the specification. Further, a number of elements of claims not yet allowed were not clearly taught or suggested by the prior art.

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12. As discussed in the previous office action response, in particular the response dated September 22, 2005, there were many problems known in the art regarding review of video stream of high quality video over the Internet. Applicant's invention provides solutions that were not anticipated or rendered obvious by the prior art.

13. Therefore, the validity of the invention should not be limited by the statement of the examiner regarding reasons for allowance.

C. Submission of Replacement Sheets having Formal Drawings

14. Attached to this submission are two (2) replacement sheets having formal drawings.

D. Examiner's Amendment

15. Applicant appreciates the examiner's amendment to correct the claim numbering in claim 72.

E. Specification Corrections

16. Two misspelled words are corrected in the specification as indicated above.

F. Claim Corrections

17. Claims 36, 40, 51, 65, and 69 were amended to consistently reference the "network" within each claim and to use the proper article (e.g. "a" vs. "the") for the antecedent references. Also other informalities such as punctuation were corrected. No new matter was added and the correction of these informalities was not made to overcome prior art.

G. Terminal Disclaimer

18. In the office action response dated June 30, 2004, notice was given regarding U.S. provisional patent application 60/085,818 and U.S. patent application 09/312,922, which will issue soon, and which has common ownership and inventorship (i.e. Kendyl A. Román) with Page 23 of 24

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this application. See Amendment to Correct Inventorship filed on June 30, 2004. Please advise if a terminal disclaimer is required.

H. List of Inventors

19. Please insure that the inventor list in the published patent matches the list of inventors as amended with the Amendment to Correct Inventorship, filed on June 30, 2004, namely,

- (1) Kendyl A. Román
- (2) Carl P. Daniel

Respectfully submitted,

Date: December 22, 2006

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